

Ask the Undertaker

By Ryan Helfenbein

Over the past decades, we have seen the funeral industry change like never before. Quiet whispers during a visitation have now become outbursts of laughter with tears to follow, the water cooler and mint jar have become wine and cheese and the soft elevator music chosen by the undertaker has now become that of Jimmy Buffett or Bob Marley selected by the family. Through all of these changes to traditional funeral service, one thing has remained: the local undertaker -- the owner of the funeral home, likely the heir of the family business and one who doesn't take directions from a corporate head on the other side of the country. That is until now. According to a recent article published in the October/November 2013 *Bloomberg Businessweek*, entitled "Mega Death," independent, family-run funeral homes and the family undertaker are changing as well. Could 2014 become the year we begin to see a sharp shift into a corporate takeover of undertaking?

As in many other businesses, family-run, independent funeral homes versus corporate funeral homes has been a point of dissension in the funeral industry for years. However, with the recent announcement that SCI, the nation's largest corporate funeral firm, is in the process of swallowing up Stewart, the nation's second largest corporate funeral firm, the subject has really caught the media's attention. Consumers may want to become more aware of what this could mean to them.

So then how can one tell the difference between a corporate and family-run funeral home? This can be tricky as corporate firms often buy the family name and keep using it, giving the outward appearance that it is in fact still a family-run funeral home. One clue that you're dealing with a corporate funeral home is that you will often find links on its Website to the corporate web address. But a sure-fire way to tell is simply to ask, "Are you an independently-owned or corporate-owned funeral home?"

In regards to asking the question, be sure to ask that firm and not a "friend" of the firm. The *Businessweek* article noted that facilities of organized religion are now making contracts with the corporate firms. This was eye-opening to me, and it makes it even more important for consumers who would prefer a locally-owned firm to ask the right questions.

So why should you be leery of a corporate funeral home? First, the *Businessweek* article noted that "seventy-three of the

priciest 100 (funeral homes) in the U.S. are (corporate-owned) ..." *Businessweek* also reported that on a national average the SCI charges "30 percent more (for cremation expenses)" and "42 percent more (for a traditional funeral excluding a casket) than independently owned (funeral homes)." In addition to immediate price, financial flexibility is a big factor when measuring these two side by side. Today, most firms, both corporate and independently owned, have some sort of payment policy in place. However, the way in which the policy may be enforced can differ drastically. For example, if a family won't have their money available until a few weeks after the service due to an unexpected loss, a corporate firm may complicate things due to possible strict policy and procedures. On the other hand, an independently owned firm might be more likely to modify payment policies on a case-by-case basis. After services take place, when the family is ready, the undertaker can visit a family to settle financial arrangements.

But it is not just price and finances that are of concern. The Funeral Consumers Alliance states that more complaints are received about corporate firms than about independently owned firms. It is rather disturbing to watch as corporate America attempts to gain more control of an industry most of which was developed on the concept of care not cash. An undertaker should help, not complicate things.

Family funeral home owner Brad Zahn of Palm Beach, Fla., says it best: "I have to wonder ... whether a Wall Street-traded corporation has its eye on the consumer the way I do."

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